

**IN THE TAX APPEAL TRIBUNAL
LAGOS ZONE
SITTING AT LAGOS**

Appeal No: TAT/LZ/PPT/032/2014

Between

Mobil Producing Nigeria Unlimited

Appellant

And

Federal Inland Revenue Service

Respondent

Judgment

Introduction

The Respondent issued a Notice of Additional Assessment No. PPTBA 128 of 13 December 2013. The Notice stated that the Appellant over-claimed Petroleum Investment Allowance in the 2004 accounting period and is consequently liable to additional petroleum-profits tax in the sum of US\$1,961,233.05 on the excess Petroleum Investment Allowance claimed. Dissatisfied with the additional assessment, the Appellant appealed.

Facts and Procedural History

The Appellant premised its appeal on two grounds. The first is statute bar. The second is that the amount assessed is incorrect.

The parties informed the Tribunal that they had mutually reviewed the Appellant's additional petroleum-profits tax on the excess Petroleum Investment Allowance for the 2004 accounting period to US\$153,493.88.

Conclusion

In the exercise of our powers under paragraph 15(8) of the 5th Schedule to the Federal Inland Revenue Service (Establishment) Act, we reduce the assessment from US\$1,961,233.05 to US\$153,493.88. Thus:



- (1) The additional petroleum-profits tax payable by the Appellant on the excess Petroleum Investment Allowance claimed by the Appellant for the 2004 accounting period is US\$153,493.88.
- (2) The Respondent must within 7 days withdraw the Notice of Assessment No. PPTBA 128 of 13 December 2013, and in its place, issue a fresh Notice of Assessment reflecting the sum of US\$153,493.88 as the petroleum-profits tax payable on the excess Petroleum Investment Allowance claimed by the Appellant for the 2004 accounting period.
- (3) The Appellant shall within 7 days of the service of the fresh Notice of Assessment on it, pay the sum of US\$153,493.88 to the Respondent as its petroleum-profits tax liability for excess Petroleum Investments Allowance claimed for 2004 accounting period.

Legal Representation:

Ms A.O. Adewusi with Dasun Jubrin Esq. for the Appellant.

Jerome Okoro Esq. for the Respondent.

Dated this 20th day of November 2015

KAYODE SOFOLA, SAN (Chairman)

CATHERINE A. AJAYI (MRS)
Commissioner

MUSTAFA BULU IBRAHIM
Commissioner

D. HABILA GAPSISO
Commissioner

CHINUA ASUZU
Commissioner

